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The 1992 Annual Report



of the Division of Central Services
Department of Administration

The Fourteenth Annual Report of the Division of Central Services Department of Administration

Fiscal Year 1991-1992 ended June 30, 1992

Jack E. Keene, Director of Central Services

This annual report is published pursuant to the requirement of Colorado Revised Statutes 24-30-1109. All aspects of the design and production of this annual report have been accomplished by the employees of the Division of Central Services.

December 1, 1992

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DIRECTOR'S MESSAGE

Fiscal year 1991-92 saw the Division take leading roles in the statewide issues of collections and fleet management. Further, the Division's ongoing commitment to total quality management has yielded results from some seventeen TQM teams, making the Division a leader in its pursuit of quality.

Overall, the Division had incomes of \$16,274,428 that resulted on a positive year end position. This success reflects the Division's continuing emphasis on customer service and quality assurance. More particularly, the Division succeeds on the basis of providing services and goods to the state with economies of central management and the efficiencies of customer-tailored service delivery mechanisms.

Several highlights of the last year indicate the activities of a busy year. The Division has for some years managed the Central Collection Service. As a result of Senate Bill 140, Central Collections receives debts within 30 days. This bill required referral of debts from state agencies in 30 days, a requirement that will give Collections a "fresh" trail. Further, Collections must now farm out any uncollected debts after 90 days to regional Private Collection Agencies. This innovation has helped to contribute to a 13 percent improvement in collector performance. Also contributing to this improvement was the purchase and installation of new hardware and software that better supports collectors and offers both management and clients better information and reports.

Senate Bill 92-30 was signed by Governor Romer June 1, 1992. This bill took a good deal of my time as the details got worked out with legislators and staff during the legislative session. The bill provides for the general consolidation of management of all state vehicles to take advantage of economies of scale. SB 92-30 also reflects the General Assembly's intention to obtain greater control over the total number of state-owned vehicles and their use.

The Division acquired a number of pieces of equipment. In Mail Services, the Division now has two Pitney Bowes Model 8300 inserters to speed the production of warrants and cutsheet inserts. A new Moore 8158 Folder/Nester anticipates postal service regulation changes and offers more flexibility and capacity in generating data mailers. The State Printing Plant has obtained a web press, an Apollo 17 just prior to the end of the fiscal year. The press can produce up to 15,000 sheets per hour on paper from 5" to 14" wide. The Division has purchased this press in order to meet continuing customer demand for quality printing at the best price.

The State Travel Management Program continued to develop a comprehensive approach to containing travel costs for the state. The continuing increase in use of the Diners Club travel card has given the program better information to bid. Solicitations for nation-wide hotel and car rental services have resulted in awards that will address customer needs by focusing travelers to specific vendors in cities across the country. The program also issued a solicitation and subsequently entered into negotiations with airlines to secure contract airfares. While these negotiations might have secured the state airfare savings, the

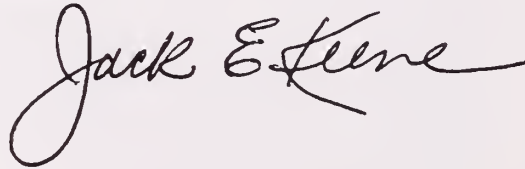


Department of Administration decided to cancel the outcome because the Division of Purchasing lacked formal rules for competitive negotiations. Results from these negotiations, however, indicated that the program's self-collecting data system has earned the confidence of the airlines and should support contract airfare agreements with the airlines in the FY 92-93.

In summary, the Division has again performed beyond expectations. I would like to extend my thanks to our employees as they continue to meet the challenges of new programs, increasing customer demands, and higher quality standards.

This annual report is intended to meet the requirements of the Colorado Revised Statute 24-30-1109 and is authorized for that purpose.

Jack E. Keene

A handwritten signature in black ink that reads "Jack E. Keene". The signature is fluid and cursive, with a large loop at the end of the last name.

Director of Central Services
December 1, 1992

PART I INTRODUCTION

1 Profile

The Division of Central Services, a statutory division, transferred by a type 2 transfer to the Department of Administration and originally organized in 1976, maintains its headquarters at 225 East 16th Avenue, Suite 1050, Denver. The Division's primary purpose is to furnish support services to other agencies of the executive branch of State government. Enabling legislation is contained in Colorado Revised Statutes 24-30-1101. Prior to its legislative creation in July of 1977, the Division operated by authority extended through an executive order dated February 17, 1976.

This annual report has been prepared and distributed pursuant to the provisions of Colorado Revised Statutes 24-30-1109. It reflects Division operations during Fiscal Year 1991-1992.

2 Mission and goal

The Division has a two-part mission. Most apparent is the mission to furnish commonly used support services to agencies of the executive branch of State government located in Adams, Arapahoe and Jefferson counties, and the City and County of Denver. Support services currently offered include: printing and bindery, quick copy services, mail processing and messenger services, microfilm exposure and duplication, graphic design and typographic services and fleet management. Fleet Management also operates a motor pool, vehicle repair service, and it vends motor fuel. Central Services creates State employee identification credentials, the ***State of Colorado Telephone Directory*** and an organization chart of State government entitled "Organization of State Government in Colorado." Since the beginning of 1988, Central Services has also managed the Central Collection Service for the Division of Accounts and Control. Central Collections recovers debts owed the State pursuant to Colorado Revised Statutes 24-30-202.4 et seq.

Simply furnishing commonly used support services is not the sole justification for Central Services. Effective management of the service resources of the State of Colorado completes the Division's mission. Central Services is charged by statute to establish central planning, control, and coordination of service activities. The Division has established several management programs: the Office Copier Management Program, and the Service Equipment Request Program.

Division responsibilities include the approval of all service equipment acquisitions and staffing patterns of service functions maintained by State agencies in the four-county service area. Funding is earned by charging user agencies for goods delivered and services rendered. State law requires that all such user charges be made at competitive rates. As a revolving fund agency, Central Services receives no appropriated funds of any kind; the Division operates—as any enterprise does—within the constraints of its earnings from the sale of goods and services to other State agencies.

To achieve its mission, the Division plans, coordinates, controls and/or furnishes support services through what may be described broadly as two types of programs: consolidated service programs and management programs.



Consolidated service programs are those in which Central Services furnishes a good or service to its customers. Two examples of this type of program are the State Print Shop and the State Motor Pool. In **management programs** Central Services oversees the purveyance of a service by another supplier. Often the Division's role is one of contract administration/enforcement. Examples of management programs include the Copier Management Program and the SER Program.

The goal of the Division of Central Services is to reduce the State's cost for commonly used support services. The means of achieving the Division's goal are always evaluated by a cost benefit study before any management decision is considered. Alternatives considered are: leaving the existing service structure intact; consolidating the existing service structure with that of the Division or some other government service structure; creating a new service structure; and, privatizing—contracting with the commercial sector for the needed service.

Additional goals include controlling the proliferation of service equipment and operating personnel or planning rates of equipment proliferation that are consistent with planned growth goals. The measurement of benefits to Division customers is very straightforward in our **consolidated service programs**. Benefits are measured in terms of cost, delivery time, and quality of the good or service furnished by the Division.

In **management programs** monetary benefits are delivered to the State; benefits to individual State agencies are less evident. Such benefits can sometimes be gauged in terms of fiscal measurements, but often require assessment in less tangible terms such as:

- a. Cost avoidance.
- b. Increased levels of service availability.
- c. Recirculation of State funds within the government framework.
- d. Fraud prevention and control.
- e. Ancillary savings implied by furnishing a particular service. Intensive document microfilming, for example, implies cost avoidance in the areas of file cabinets, records warehousing facilities, and custodial personnel.

DIVISION OF CENTRAL SERVICES' CUSTOMER SERVICE POLICY

*We guarantee that our customers must be completely satisfied with our **products**, or we will replace them at no cost or refund the purchase price.*

*We guarantee that our customer must be completely satisfied with our **services**. If the service you receive does not meet with your satisfaction, notify us and we will make it right.*

We will listen. All customer inquiries will be acknowledged within two business days or less.

We are dedicated to satisfying our customers. Should you have any questions or problems, please contact Central Services' Customer Service Representative.

3 Customer service

The Division of Central Services is dedicated to providing quality service to its customers. Several programs have been implemented to increase the quality of service and customer satisfaction. Quality control programs regularly monitor and control mechanisms within each operating unit of Central Services that verify product and service levels. The Quality Assurance Program determines customer satisfaction levels through a vigorous program of written and oral surveys.

Once a good or service has been delivered, our Customer Service Program insures that the customer is satisfied by standing ready to resolve any complaints.

This program has been very helpful in improving the quality of our services. While receipt of complaints cannot be the sole measure of performance for any service or product, it is important to note that complaints have been significantly reduced.

Quality assurance surveys are conducted periodically.

The Customer Relations Program trains and motivates Central Services' employees to satisfy our customer's needs. An orientation program provides customer relations and telephone skills training for all new Division employees. In addition, on-going customer relations training is provided for senior Division employees. To motivate employees, the Division of Central Services' Awards of Merit was established seven years ago. The awards recognize and reward those employees committed to quality service and performance excellence.

Early in 1983, Central Services established an advisory Customer Panel. Panel members serve as a channel for feedback from State agencies and as a conduit for the dissemination of information to Division customers. Many valuable suggestions have been presented by panel members and our customers. Central Services believes that our customers are a valuable resource for product and service design.

4 Total Quality Management

During the past several years, the Division has emphasized the Quality Improvement Teams approach to TQM and has made significant progress. This approach was composed of:

Training—

- (1) All employees were introduced to the basic concepts of TQM.
- (2) Half of DCS employees were given training in Quality Improvement and Statistical Methods by Joe Turner. This training session is available on video tape and will be offered to other employees periodically.
- (3) Training for participation on a team has been provided for members of seventeen teams so far.

Teams—

there have been seventeen Quality Improvement Teams and several more will begin shortly.

Phase II of Total Quality Management will continue the training and Quality Improvement Teams of Phase I; however, it will broaden the scope of TQM considerably.

Organizational Structure—To involve more employees in the development, planning, and implementation of TQM, the following structure was approved by the director and the managers at a recent meeting.

Steering Committee—will establish overall goals and conduct long range, strategic planning.

Quality Council—will be responsible for the development, implementation, and on-going administration of the quality process.

Training for Quality Transformation (Facilitators, Teams, Employees & Leaders). Facilitator Training—to increase the number of facilitators available, each manager is to receive training and one other employee from each unit.

Measurements and Databased Decisions—to emphasize measurable results and databased decisions in quality improvement efforts.

Creating a Quality Culture—one in which all employees value improving quality and are recognized for it.

Leadership and coaching training—for managers and employees.

Teamwork training—for all team members and for all employees as part of our division culture.

Empowerment—empowering improvement teams and individual employees to improve the quality of service and to satisfy our customers. Implementation of empowerment—there will be a training session on the implementation of empowerment for managers, supervisors, and front line employees. Steve Gelman will facilitate the group in the applications of the techniques of empowerment.

Partnership—improved customer-supplied relationships.

Central Services' TQM Teams

A little over three years ago, Central Services very tentatively began a series of TQM teams with Central Collections in an effort to improve the effectiveness and efficiency of the unit. Since that time our experience and confidence in TQM Teams has increased dramatically, and teams have become a meaningful part of our organizational structure.

Team 1 through 6—a series of teams conducted for Central Collections was begun in November 1990. Facilitators: Tee Meyer, Jerry Davies, and J.J. Jackson

Teams developed policies and procedures dealing with work flow, correspondence, filing, and relationships with client agencies. They minimized work load of agencies after they turned over their accounts. Also, a valuable lesson was learned: TQM is most effective when dealing with processes and not policy.

Team 7 Design Center Proofreading Team—December 1990. Facilitator: Jan Heitzmann

Too many jobs were making it through the proofing process with errors still existing, resulting in: customer dissatisfaction, increased cost to the Design Center, and a bad public image of the Design Center.

The team developed a new process to eliminate errors, "to do it right the first time," and a new proofing process and form. Six months after implementation, proofing errors were down 27 percent, and the Design Center saved \$3,000 per year.

Team 8 Print Shop, Design, and Mail Services—July 1991. Facilitators: Tee Meyer, J.J. Jackson, and Mike Lafferty

To improve external and internal customer service between the units of Graphics, Print Shop, and Mail Services, and to meet external customer expectations by reducing the length of time from when a job goes to the Design Center to when it is delivered to the customer from the Print Shop. This time was reduced by two days. In addition, the Artwork Printing Request Form was totally revised, with input from the various agencies, to simplify the form and to avoid delays occasioned by the old form.

Team 9 Reduce Retakes at Microfilm—October 1991. Facilitator: J.J. Jackson

To reduce the number of retakes, the team redesigned the recording form, streamlined filming, and opened communications. The new procedures saved the Microfilm Center \$6,000 a year.

Team 10 Microfilm Center: Department of Revenue Microfilming—November 1991. Facilitator: Mike Lafferty

To make the "Revenue side" operate more smoothly and efficiently. In order to establish a benchmark, a cost accounting system for the Revenue side only was set up. Meetings were set up with temporary agencies to establish the qualification of temporaries we will accept. The training of temporaries was improved, and they are expected to work and produce to standard.

Team 11 Mail Services: Revenue Incoming Mail Room (Tax Week)—December 1991. Facilitator: J.J. Jackson

To reduce the number of errors and the cost of receiving, opening, and sorting 500,000 tax returns received the week before and after the tax deadline. Standardized training for temporaries and resolved some safety issues which reduced missed time. The error of leaving material in an envelope was reduced to less than 1 percent.

Team 12 Mail Services: 24-hour turnaround of all mail—December 1991. Facilitator: Mike Lafferty

To insure that all mail, especially packages, is turned within 24 hours. The process was improved, and no complaints have been received since that time.

Team 13 Mail Services: Preparing mail for pickup—December 1991. Facilitator: Mike Lafferty

To improve the efficiency of the Metering Unit, the process of picking up mail and preparing it for metering was improved. To do this, an informational campaign was conducted to have mailers prepare their mail for pickup in ways that would expedite metering. Checks are still being conducted to measure the effectiveness of this campaign.

Team 14 Print Shop: Reduce turnaround—February 1992. Facilitators: J.J. Jackson and Mike Lafferty

To increase customer satisfaction through improved timeliness and efficiency of service. The turnaround of printing jobs was reduced from an average of 10 days to an average of 4.5 days. A maximum of three days was established for small jobs, such as letterhead.

Team 15 Design Center: April 1992. Facilitator: Mike Lafferty

To improve the effectiveness and efficiency of the Design Center. Surveys were conducted to improve customer satisfaction and fiscal adjustments were made to increase efficiency. Marketing and promotion strategies were studied and implemented.

Team 16 Copier Paper Delivery: May 1, 1992. Facilitator: Mike Lafferty

To insure that copiers in the major buildings in the Capitol Complex do not run out of paper, the process of paper delivery was revised and the results are monitored monthly.

Team 17 Mail Services: Interdepartmental Mail—March 1992. Facilitator: Mike Lafferty

To increase the efficiency of Mail Messenger Service within the Capitol Complex while retaining the expected level of customer service. Reduce the cost of service by \$9,000 a year while maintaining same level of customer satisfaction.

5 Operating names and locations

Central Services' operates under the following name and title designations at the locations specified. Listings reflect locations of operations as of the last day of Fiscal Year 1990-1991.

- a. **Mail Services Section**, 225 East 16th Avenue, First Floor, Denver. This section also operates the Incoming Revenue Mail Room, 1375 Sherman Street, Room 148, Denver.
- b. **State Print Shop**, 1001 East 62nd Avenue, Denver.
- c. **Office Copier Management Program**, 225 East 16 Avenue, Suite 1050, Denver.
- d. **Quick Copy Centers**:
 1. 1313 Sherman Street, Room 1-B19, Denver.
 2. 110 16th Street, 7th Floor Denver.
 3. Fort Logan, B-6, Denver.
 4. 1575 Sherman Street, Room G26, Denver.
 5. 251 East 12th Avenue, Room 201, Denver.
- e. **State Motor Pool**, 1555 Sherman Street, Denver.
- f. **Design Center**, 110 16th Street, Room 1150, Denver.
- g. **State Microfilm Center**, 1001 East 62nd Avenue, Denver.
- h. **Fleet Management Program**, 1001 East 62nd Avenue, Denver.
- i. **State Garage**, 1001 East 62nd Avenue, Denver.
- j. **Central Collection Service**, 225 East 16th Avenue, Suite 555, Denver.
- k. **State Travel Management**, 225 East 16th Avenue, Suite 1050, Denver.
- l. **North Campus**, 1001 East 62nd Avenue, Denver.

Other instrumentalities of the Division are: the State of Colorado Telephone Directory, "Organization of State Government in Colorado" chart, and State of Colorado Diners Club Corporate Card System. In addition, the Division issues State of Colorado employee identification credentials usable by all State government agencies. All of these activities operate out of Division headquarters located at 225 East 16th Avenue, Suite 1050, Denver.

6 Employees

Central Services closed Fiscal Year 1991-1992 operations with 121 full-time Equivalent (FTE) employees on board. Minority status is claimed by 49 employees, or 40 percent, of that number; 26 employees are female and 23 male. It should be noted that the 40 percent minority status of this division exceeds the demographic distribution of minorities in the State's total population. A listing of all employees as of the date of this report and their job skill classifications is included in the appendix of this report.

PART II NOTES AND FINANCIAL STATEMENTS

7 Summary of significant accounting policies

In order to insure observance of limitations and restrictions placed on the use of fiscal resources, by rule and statute, all accounts are maintained by the Department of Administration for Central Services in accordance with the principles of accounting specified in Colorado Revised Statutes 24-30-202(12). The accounting practices of the Department conform strictly to those specified by the Controller. Resources intended for various purposes are classified, according to the principles of fund accounting, into funds that operate in accordance with specified activities or objectives. The accrual basis of accounting is followed.

Central Services receives no actual funds from the General Assembly. Instead, it receives an authorization to spend a portion of the revenues, when and if earned, generated by the sale of Division services to other government agencies. Central Services is a statutory revolving fund (Colorado Revised Statutes 24-30-1108) which operates within the confines of the revenue it generates. Users of Division services are charged the full cost of all materials, labor and overhead attributable to the service used in accordance with Colorado Revised Statutes 24-30-1108(2). Prices charged by all of the Division's operating units are competitive with those of private industry as required by Colorado Revised Statutes 24-30-1108(3).

The funding structure of Central Collection Service is described in Colorado Revised Statutes 24-30-202.4(3)(d) and (e). Like all other Central Services' operating units, Central Collections operates within the confines of the revenue it generates. Its funding structure is in no significant way dissimilar to that of Central Services. This similarity of fiscal structures was among the reasons for the assumption of CCS' management by Central Services in 1988.

8 Revenue recognition

In government accounting, expenses and revenues are reported in the period in which earned or incurred. All revenue for services performed or for goods delivered before the close of the fiscal year is recognized in the reporting for that fiscal year. Revenue is recognized whether or not it is collected and whether or not its collection date falls within the fiscal year in which earned. Collection costs are not a consideration, except when collection services are performed for Central Services by Central Collection Service.

9 Indirect costs

Central Services recognizes two levels of contribution to administrative/management costs:

- a. Operating units contribute to Central Services' overhead administration, rent, interest, and other expenses. These expenses are captured as "DCS Overhead" in the profit and loss statements of each operating unit. The contribution liability is determined for each unit by the director.
- b. The Division contributes to State Wide Indirect, which is developed by Accounts and Control in accordance with federal guidelines, recommended to the Joint Budget Committee, and approved by the General Assembly.

10 Depreciation

General fixed assets are recorded as assets at the time of acquisition. Depreciation is then computed and recorded as current expense. Assets are carried at actual cost and depreciated on a straightline basis over the useful life spans prescribed in guidelines promulgated by the Internal Revenue Service of the United States Government.

11 Service Equipment Request Program

Under provisions of Colorado Revised Statutes 24-30-1105(1)(a),(b),(e),(f) and 24-30-1107, the Division of Central Services is responsible for reviewing and approving requests by other executive branch agencies for service equipment. Such equipment is related to the Division's service mission. The Service Equipment Request Program discharges this responsibility. Specific approval requirements are contained in **Fiscal Rules**, chapter 3, section 1.35.09. During Fiscal Year 1990-1991, the Division received 60 SERs, of which 59 were approved.

The approval process takes into account cost effectiveness and efficiencies required by statute. Disapproved and modified requests resulted in an estimated dollar savings to the State of \$15,516 for the year and a recurring savings of \$9,400. The "Annual Savings" chart reflects the history of this program and shows annual savings and recurring savings due to the SER program along with savings from other Division operating units and programs, which totaled \$267,000 last year.

Recurring savings are reported only in the year first achieved. They are not accumulated in subsequent annual reports.

**12 DIVISION OF CENTRAL SERVICES' ANNUAL PROFIT AND
LOSS STATEMENT OVERALL DIVISION OPERATIONS**
(unaudited)

	<u>1992 Revenue/Expense</u>
INCOME:	
Sales	\$15,965,248
Intersectional sales	\$303,065
Auction revenue	\$6,115
TOTAL INCOME	<u>\$16,274,428</u>
EXPENSES:	
Personal services	\$3,547,108
Compensated absences	\$9,786
Operating	\$1,666,699
Fuel	\$877,337
Oil/Maintenance	624,386
Depreciation	\$2,079,244
Intersectional charges	\$303,065
Insurance/Fleet program	\$198,986
Interest on loan	\$461,195
Equipment maintenance	\$294,527
Cost of goods sold	\$4,094,156
Leased space	\$88,756
Building rental	57,544
Indirect cost	\$247,125
GGCC cost	\$219,667
Utilities	\$38,536
Leased vehicle fix/var	\$256,063
Auction	\$2,121
SUBTOTAL EXPENSES	<u>\$15,066,301</u>
DCS' overhead	\$708,012
TOTAL EXPENSES	<u>\$15,774,313</u>
PROFIT OR (LOSS)	<u>\$500,115</u>

**13 DIVISION OF CENTRAL SERVICES' BALANCE SHEET FOR
THE FISCAL YEAR ENDED JUNE 30, 1992
(unaudited)**

	<u>1992 Revenue/Expense</u>
ASSETS:	
Cash on-hand	\$300
Cash with State Treasurer	(\$449,856)
Receivables:	
Other agencies, funds, and governments	\$139,085
Inventories	\$228,113
Prepaid expenses	\$10,835
Furnishings, and Equipment	\$2,292,558
Accumulated depreciation—furnishings and equipment	(\$1,456,542)
Leasehold improvements	\$205,058
Amortization of leasehold improvements	(\$165,013)
TOTAL ASSETS	<u>\$804,538</u>
LIABILITIES:	
Payables:	
Warrants	\$66,269
Vouchers	\$194,394
Accounts	\$100,804
Accrued salaries	\$73
Deferred revenue	\$4,110
Compensated absences	\$172,364
TOTAL LIABILITIES	<u>\$538,014</u>
FUND EQUITY:	
Retained Earnings	\$265,577
Contributed capital	\$947
TOTAL FUND EQUITY	<u>\$266,524</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$804,538</u>

**14 ANNUAL PROFIT AND LOSS STATEMENT FOR EACH SERVICE FUNCTION for year ended
June 30, 1992
(unaudited)**

	Mail Services Section	Fleet Mgrnt Program	State Print Shop	Office Copier Mgrnt Program	Quick Copy Centers	Design Center	State Microform Services	North Campus
1991-92								
Income	\$4,938,621	\$6,120,231	\$1,435,379	\$1,105,735	\$ 708,153	\$ 311,882	\$ 472,710	\$ 126,777
Expense	<u>4,996,496</u>	<u>5,677,344</u>	<u>1,375,010</u>	<u>875,779</u>	<u>757,428</u>	<u>329,081</u>	<u>534,577</u>	<u>150,748</u>
Profit (loss)	\$ (57,875)	\$ 422,887	\$ 60,369	\$ 229,956	\$ (49,275)	\$ (17,199)	\$ (61,867)	\$ (23,971)
1990-91								
Income	\$4,252,058	\$4,896,064	\$1,228,604	\$ 966,989	\$ 648,892	\$ 257,466	\$ 432,372	\$ 134,534
Expense	<u>4,219,042</u>	<u>4,858,981</u>	<u>1,318,210</u>	<u>895,841</u>	<u>631,641</u>	<u>284,304</u>	<u>475,520</u>	<u>165,794</u>
Profit (loss)	\$ 33,016	\$ 410,101	\$ (89,606)	\$ 71,148	\$ 17,251	\$ (26,838)	\$ (43,149)	\$ (31,260)
1989-90								
Income	\$4,071,348	\$4,082,347	\$1,227,274	\$1,019,911	\$ 737,724	\$ 273,866	\$ 268,422	\$ 102,174
Expense	<u>4,168,119</u>	<u>3,681,375</u>	<u>1,321,843</u>	<u>1,000,076</u>	<u>671,530</u>	<u>296,866</u>	<u>294,291</u>	<u>132,029</u>
Profit (loss)	\$ (96,771)	\$ 400,972	\$ (94,569)	\$ 19,835	\$ 66,194	\$ (23,000)	\$ 25,869	\$ 29,855
1988-89								
Income	\$4,018,354	\$3,910,009	\$1,176,492	\$1,051,388	\$ 731,729	\$ 306,533	\$ 279,274	\$ 107,478
Expense	<u>4,017,608</u>	<u>3,748,909</u>	<u>1,266,128</u>	<u>982,515</u>	<u>633,528</u>	<u>308,437</u>	<u>268,120</u>	<u>122,561</u>
Profit (loss)	\$ 746	\$ 161,100	\$ (89,636)	\$ 68,873	\$ 98,201	\$ (1,904)	\$ 11,154	\$ (15,083)
1987-88								
Income	\$3,613,295	\$3,939,234	\$1,213,754	\$ 848,628	\$ 645,781	\$ 301,430	\$ 263,633	\$ 86,677
Expense	<u>3,586,574</u>	<u>3,884,895</u>	<u>1,234,864</u>	<u>927,683</u>	<u>556,247</u>	<u>300,275</u>	<u>253,968</u>	<u>124,131</u>
Profit (loss)	\$ 26,721	\$ 54,339	\$ (21,110)	\$ (79,055)	\$ 89,534	\$ 1,155	\$ 9,665	\$ (37,454)

15 PRICE COMPARISON TO PRIVATE INDUSTRY

Price comparisons are included to demonstrate Central Services' compliance with Colorado Revised Statutes 24-30-1108(3) which states:

The director of central services shall have a pricing policy of remaining competitive with or at a lower rate than private industry in the operation of any service function which he establishes.

FLEET MANAGEMENT

The State Fleet Management Program leases and maintains vehicles for State agencies.

Five Year Monthly Lease Comparison									
	Central Services	Christopher Dodge	O'Meara	Sil-Ter	Courtesy	Pro	Emich	Burt	Front
<u>1/2 ton Pickup</u>									
monthly rate	\$182	\$306	\$325	\$375	\$335	—	—	\$300	\$205
max miles	None	—	15K	15K	15K	—	—	—	15K
mileage rate after max	None	—	\$.08	\$.10	\$.08	—	—	—	\$.10
<u>Mid-size Car</u>									
monthly rate	\$179	—	\$275	\$325	\$235	—	—	\$215	\$275
max miles	None	—	—	15K	—	—	—	15K	15K
monthly rate after max	None	—	—	\$.10	—	—	—	\$.10	\$.08
<u>Cherokee*</u>									
monthly rate	\$262	—	—	—	—	\$350	\$365	—	—
max miles	—	—	—	—	—	15K	15K	—	—
monthly rate after max	—	—	—	—	—	\$.10	\$.10	—	—

* State-owned for 4-wheel drive passenger utility vehicle.

DESIGN CENTER

The comparison was done on three typical jobs.

	Central Services	Bechtel Design	Multimedia	Print Media	Image Corp
Brochure	\$ 84	\$300	\$200	\$108	\$300
Newsletter	\$210	\$600	\$400	\$252	\$775
Form	\$ 65	\$300	\$200	\$ 77	\$425

MICROFILM CENTER

The price comparison was done on a typical planetary job.

	Central Services	Mountain States	Quality Records	American Microdata
Cost per image	\$.0365	\$.04	\$.039	\$.04
Diazo Dup	Included	\$5.00	Included	\$7.50
Silver Dup	Included	\$5.00	Included	\$7.50

STATE PRINTING PLANT

Price comparisons were done for typical jobs of the various types that the Printing Plant performs.

	Central Services	Craig	Paragon	Lange	Quick Print	Oxbridge Press	Center Copy
Job #1	\$ 147.00	\$ 238.00	\$ 345.00	\$ 434.00	\$ 176.00	\$ 312.00	\$ 293.00
Job #2	\$2,942.00	\$9,304.00	\$6,880.00	\$6,250.00	\$15,452.00	\$ 7,323.00	\$6,850.00
Job #3	\$1,800.00	\$5,415.00	\$3,950.00	\$8,382.00	\$ 8,750.00	\$10,100.00	\$4,975.00
Job #4	\$ 455.40	\$ 744.00	\$1,120.00	N/A	\$ 1,080.00	\$ 1,442.00	\$ 504.00
Job #5	\$ 379.00	\$ 586.00	\$ 954.00	\$ 763.00	\$ 875.00	\$ 583.00	\$ 858.00

STATE QUICK COPY SERVICE

The price comparison was on four typical jobs.

	Central Services	Speedy	Kinko's	Stop & Go	Center
Job #1	\$11.50	\$ 30.00	\$ 19.50	\$ 26.50	\$ 15.00
Job #2	\$11.50	\$ 21.30	\$ 18.00	\$ 17.50	\$ 15.00
Job #3	\$ 1.01	\$ 1.20	\$ 2.64	\$ 4.40	\$ 2.64
Job #4	\$69.00	\$164.00	\$186.00	\$223.50	\$180.00

STATE MOTOR POOL

The State Motor Pool rents late model cars. Customers may leave their personal vehicles in the Pool garage while using Motor Pool cars.

	Central Services	Budget	Avis	Alamo	Advantage	Hertz	Dollar
Daily	\$17.00	\$32.00	34.00	\$30.00	\$27.00	\$32.00	\$31.00

COPIER SERVICES PROGRAM

Central Services makes convenience copiers available to State agencies. Copiers are placed in conveniently accessible locations and are modified for general use by using an auditron counting device. Though the Copier Services Program provides many more services than any program surveyed, the results indicate that it is 19 percent to 127 percent cheaper than the other state, federal, and private organizations surveyed.

	Central Services	CSM	UCHSC	National Parks Service	Colorado National Bank
Cost per Copy	\$.033	\$.050	\$.075	\$.040	\$.039

STATE GARAGE

The State Garage provides maintenance and repair service for all State vehicles.

	Central Services	Chesrown Chevrolet	O'Meara Ford	Front Range Dodge	Pro/Jeep Eagle	Adolph's Auto/Truck	Douglas Toyota	Firestone
Garage Hourly Rate	\$30.00	\$50.00	\$50.00	\$47.00	\$49.00	\$48.00	\$47.00	\$47.00
Discount for Volume	N/A	\$45.00	\$42.50	\$42.30	\$44.10	\$46.00	\$42.30	None

MAIL SERVICES

Automated folding, inserting, and sealing—comparison based on a typical job.

	Central Services	Strategic Presort	Affiliated Mail	Corp
Fold/Insert/Seal	\$272	\$540	\$380	\$385
Discount on Fold/Insert/Seal	N/A	\$390	\$295	None

Vehicle delivery—comparison based on a typical delivery route.

	Central Services	Pony Express/ Wells Fargo	City Express
Delivery Charge/Monthly	\$2,433	\$2,935(PE)* \$2,465(WF) Total = \$5,400	\$4,500
Discount for Volume	N/A	\$2,935(PE) \$2,465(WF) Total = \$5,400	\$4,000

Note: * Pony Express does not pick up or deliver cash or checks. The quoted price assumes that no cash or checks will be handled in the course of the 32 stops. Pony Express referred us to Wells Fargo for pick up and delivery of cash and checks. Twelve runs, which entail cash or checks, would have to be done by Wells Fargo.

CENTRAL COLLECTIONS

The cost comparison is based on the percentage charged by agencies to collect debts for the State.

Central Collection Service	= 22%
Management Adjustment Bureau	= 25%
Consolidated Collection Company	= 30%
American Banco	= 28%
Collection Center Inc	= 24%

16 REVENUE PER FULL-TIME EQUIVALENT EMPLOYEE

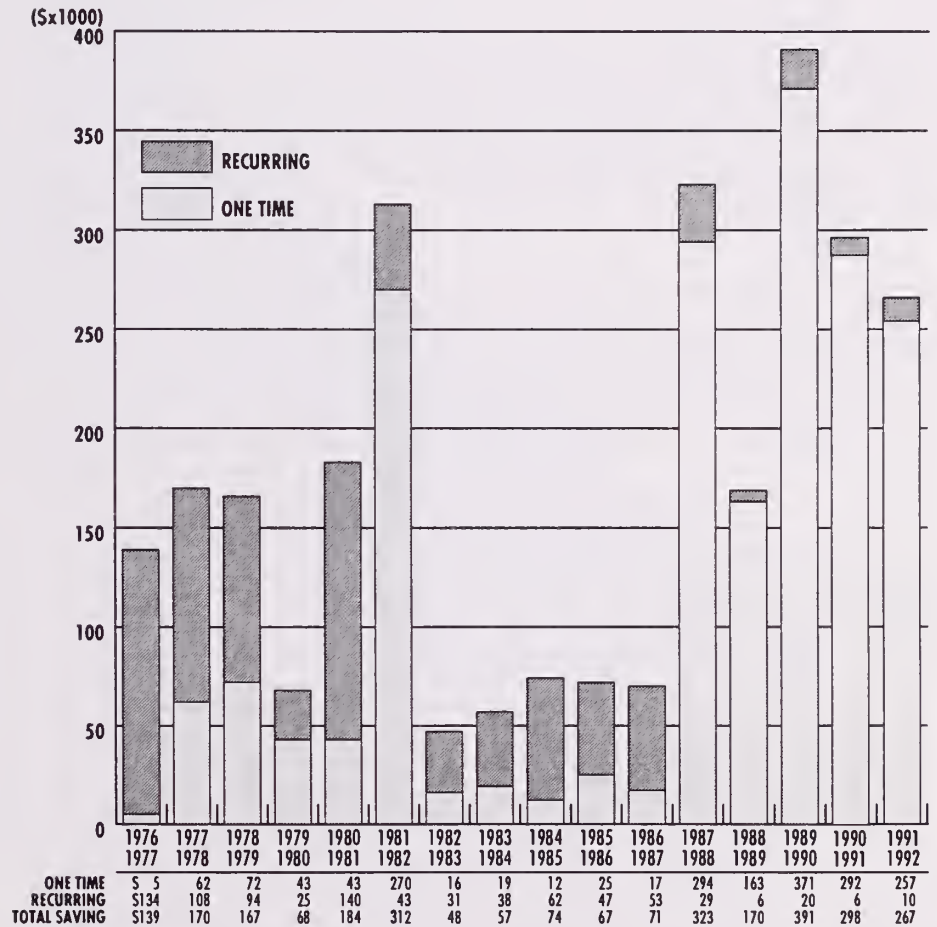
Fiscal Year Ending June 30	FTE	% Increase (Decrease)	Income From Operations*	% Increase (Decrease)	Revenue per FTE	% Increase (Decrease)
1987	109.7	(0.3)	\$11,643,031	11.1	\$106,135	12.8
1988	124.0	13.0	\$13,181,997	13.2	\$106,306	0.2
1989	117.0	(5.9)	\$11,631,480	(13.3)	\$ 99,414	(6.9)
1990	121.0	3.4	\$11,800,569	1.5	\$ 97,525	(1.9)
1991	126.0	4.1	\$12,816,979	8.6	\$101,722	4.3
1992	121.5	(4.8)	\$15,965,248	22.2	\$130,467	28.3

* Taken from Annual Profit and Loss Statement for Overall Division Operations. Intersectional sales have been eliminated at cost, as have motor vehicle auction sales.

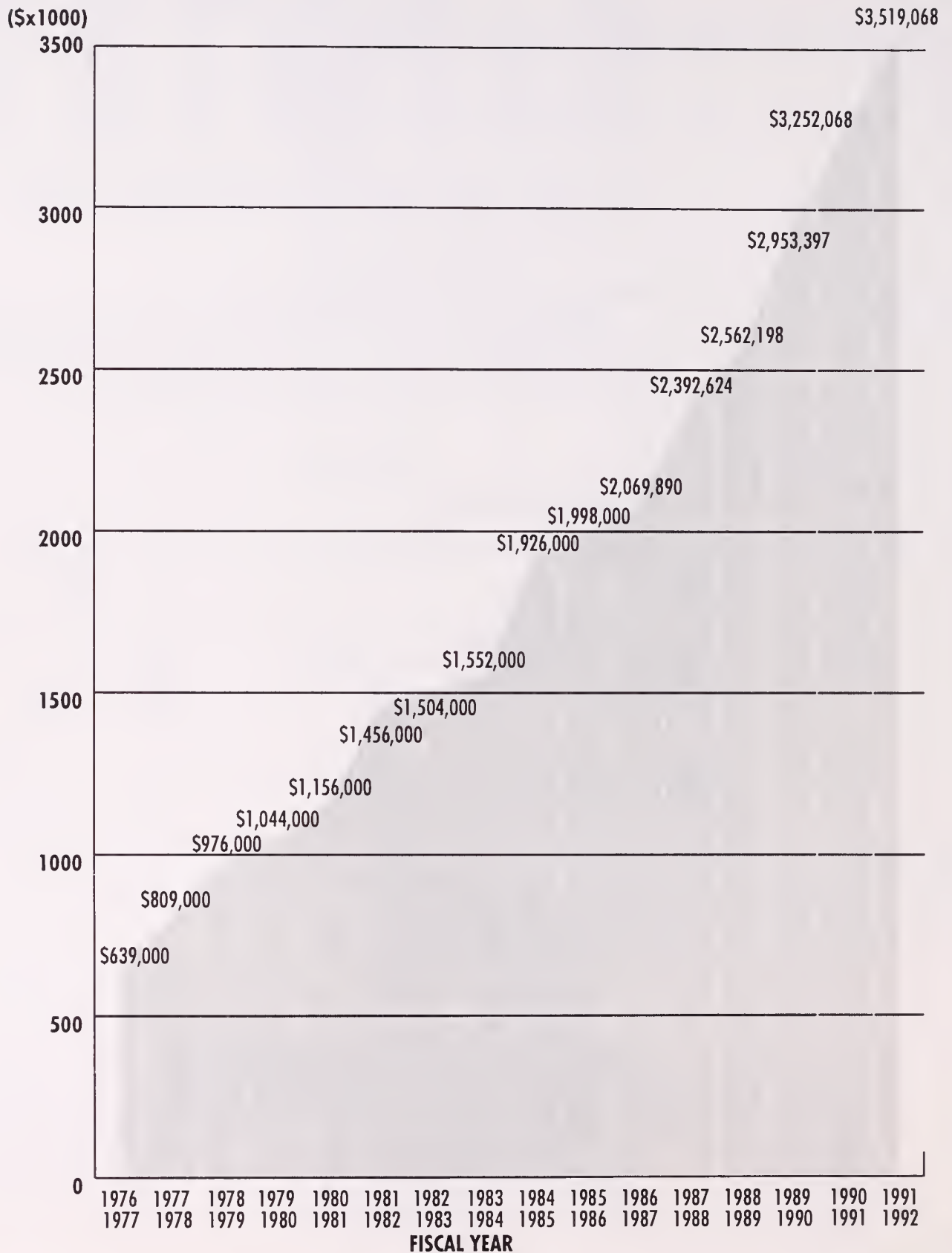
17 Annual and Cumulative Savings

The Annual Savings and Cumulative Savings charts are included in this annual report to satisfy the requirements of Colorado Revised Statute 24-30-1109(f) for "an estimate of prior calendar year and cumulative savings due to operations of the division."

ANNUAL SAVINGS



CUMULATIVE SAVINGS



PART III UNIT OPERATIONS

18 Notes to unit operations

Each of Central Services' operating units has its own accounting structure independent of that of other operating units. All work is charged to customers at established rates. All purchases of goods and services between Central Services' operating units are made at undiscounted rates. This includes the full cost of all materials, labor and overhead for all services. Each of the operating units is listed in this part of the annual report in order of the size of its contribution to Central Services' gross income during the period of this report, largest contributor first.

19 State Fleet Management

Principal operating location
1001 East 62nd Avenue, Denver (North Campus)
Manager: Paul Jensen
Telephone number: 287-6741
FAX: (303) 289-7421

State Fleet Management is comprised of the following operating units and cost center:

- a. State Fleet Management
- b. State Motor Pool
- c. State Garage
- d. Gasoline Sales

State Fleet Management leases 1,538 cars, vans, and light trucks on a long-term basis to State agencies in lieu of the agencies purchasing vehicles. A lease includes collision, comprehensive insurance, fuel and maintenance, in addition Fleet also provides for a vehicle maintenance program and a comprehensive and collision protection plan with enrollments of 222 and 137 vehicles respectively (non-Fleet owned).

Senate Bill 92-30 was signed by Governor Romer on June 1, 1992, and will become effective July 1, 1992. It addresses two- and four-wheel drive trucks, three-quarter ton and smaller and all passenger vehicles including cars, vans, and station wagons. Larger vehicles are not covered by the bill. For the many agencies already in State Fleet Management changes will be minimal.

Some key points of the legislation include:

1. Centralization of the State fleet under one agency.
2. Adoption of uniform rules and regulations relating to Fleet issues.
3. Transfer of custody of vehicle titles to State Fleet Management.
4. Enrollment of all State vehicles in Fleet Management's maintenance and insurance programs.
5. Overall reduction of the State fleet by a minimum of 10 percent.
6. Sets standards for routine replacement of motor vehicles.
7. Establishes requirement for a valid Colorado drivers license.
8. Establishes rules for commuting in State-owned vehicles.

Although the *custody* of the vehicle titles is to be transferred to State Fleet Management, the *ownership* of the vehicles does not change. Agency-owned vehicles will be leased back to the owning agency at a mileage rate only. No monthly charges will be assessed until the eventual replacement of the vehicles with vehicles purchased by State

Fleet Management. As the agency-owned vehicles are disposed of, the proceeds from the sale will go to the owning agency.

The mileage rates charged vary with the vehicle type and include all fuel, maintenance, and insurance. Fleet Management pays for these costs and, in turn, bills the using agency through the COFRS system for the miles operated.

State vehicles may no longer be used for personal use with the "personal miles" being reported and the employee reimbursing the State for those miles. If a State-owned vehicle is used for commuting (driving between duty station and residence), such use must be authorized by the executive director (or college president) of the agency employing the driver. The employee must then reimburse the State via payroll deduction for the use of the vehicle. And, even though the commuting may be authorized and reimbursement made, the vehicle may not be used for personal errands.

A tentative schedule of enrollment dates has been prepared, and this process will begin in early July. Completion is expected by January 1, 1993, bringing Fleets size to 5600 vehicles.

PRIVATE VENDORS

SFM uses numerous private vendors to support its operations:

- a. PHH FleetAmerica controls maintenance costs by requiring prior authorization of vehicle repairs. All warranty rights are strictly enforced. Also, SFM can often forgo major repairs by substituting an unassigned vehicle.
- b. The majority of all vehicle repairs are done at private vendors around the State through our maintenance contractor PHH FleetAmerica.
- c. Tires and glass are purchased from private vendors contracted by the Division of Purchasing.
- d. New vehicles were acquired from 12 dealerships in the State during Fiscal Year 1991-1992.
- e. Towing and auto body work are done at private vendors throughout the State.

COST SAVINGS BY PHH FLEET AMERICA

SFM, in cooperation with our maintenance management contractor, has saved the following money by declining to issue certain authorizations on unneeded repairs or by following up on warranty rights that were first denied.

Fiscal Year 1989-1990: \$14,386
Fiscal Year 1990-1991: \$12,097
Fiscal Year 1991-1992: \$18,000

20 State Garage

Principal operating location:

1001 East 62nd Avenue, Denver (North Campus)

Manager: Jim Twark

Telephone number: 286-2511

The State Garage is located adjacent to the Fleet Management offices at 1001 East 62d Avenue. Performing State emissions tests, preventive maintenance, diagnosis and repair work.

FISCAL YEAR	INVOICES PROCESSED	HOURS CHARGED	FTE	EFFICIENCY SUPERVISOR	EFFICIENCY MECHANIC
1986-1987			3		
1987-1988	2,660	3,235	3	84%	128%
1988-1989	3,190	4,047	3	94%	137%
1989-1990	3,740	3,739	3	86%	125%
1990-1991	2,980	3,794	3.5	82%	131%
1991-1992	3,185	3,605	3.5	75%	115%

21 State Motor Pool

Principal operating location:

1555 Sherman Street, Denver

Manager: Bob Schley

Telephone number: 866-3030

The State Motor Pool furnishes rental vehicles for short-term use by State government agencies. Fifty-four vehicles were assigned to the Motor Pool as of June 30, 1992. Motor Pool usage is beneficial to the State because it allows agencies to depend more on short-term usage versus long-term assignments. Short-term usage allows for a higher average mileage per year per vehicle. The efficiency, miles, and revenue of the Motor Pool have been steadily increasing as follows:

FISCAL YEAR	EFFI- CIENCY	FTE	AVG VEHICLES FOR YEAR	TOTAL MILES	AVERAGE MILES PER YEAR PER VEH	REV TOTAL
1986-1987		2	40	657,000	16,425	
1987-1988	66%	2	40	730,478	18,262	\$171,636
1988-1989	73%	2	38	793,365	20,878	\$195,386
1989-1990	75%	2	42	854,889	20,355	\$223,790
1990-1991	79%	2	49	1,000,244	20,413	\$288,750
1991-1992	75%	2	54	1,094,358	20,100	\$295,223

Gasoline Sales is a function of State Motor Pool. Both are located at 1555 Sherman Street, Denver.

22 Mail Services Section

Principal operating location:
225 East 16th Avenue, First Floor
Manager: Helen Nopens
Telephone number: 894-2609

Mail Services is a full service mail processor, which provides a complete range of quality mailing services, responsive to the individual needs of State mailers. Five specialized sections perform duties which include scheduled pickup and delivery of mail at State offices, automated mail preparation, postage application, ZIP+4 barcode application and presorting, and the opening, sorting, and delivery of incoming mail.

The Interdepartmental unit serves as the center for the distribution system. U.S. Postal and Interdepartmental mail are sorted and staged for delivery to the agencies on the vehicle and walking messenger routes. Mail and materials picked up on the delivery routes, are directed to the Metering unit to be processed for mailing via the Postal Service, or sorted for delivery by Mail Services. This unit provides three daily pickups and deliveries to State offices within the Capitol Complex.

The Metering unit is composed of mailing professionals, who are familiar with the requirements and advantages of the U.S. Postal Service, United Parcel Service, Federal Express, and commercial freight carriers. This unit operates the specialized equipment necessary for automated mail processing. Postage is applied to outgoing State mail, picked up by the Dispatch and Interdepartmental units, as well as to completed mailings processed by the Metering unit. Advanced automated systems are utilized for folding, labeling, inserting materials into envelopes, sealing, and postage application.

In Fiscal Year 91/92, the primary production indicators for the Metering unit, postage use and mail volume processed, rose slightly over the FY91 levels.

Two Pitney Bowes Model 8300 inserters were acquired in FY92. A Moore Model 8158 Folder/Nester was also purchased. The Model 8300 inserters are the most advanced systems produced by Pitney Bowes, and run continuous rolls of checks and warrants as well as cut sheet materials. The capability of the inserters to convert to all types of jobs has increased Mail Services production capacity and flexibility. The Moore system anticipates changes in USPS requirements which will eliminate data mailers constructed of very thin paper. Materials costs are reduced by cutting and forming the printed document to produce the envelope. Two additional forms may also be inserted before sealing.

The Dispatch unit makes daily, scheduled stops at State offices located within the four county Metro area. U.S. Postal mail, Interdepartmental mail, UPS, and packages for Federal Express are picked up and delivered. This unit provides two scheduled routes, dedicated to delivering tapes and reports for the General Government Computer Center. Outgoing materials from the State Printing Plant and the State Forms Center are also distributed. On call courier service is available for special runs at customer request.

The incoming mailroom, located at 1375 Sherman, operates both day and night shifts. The two units processed 7,104,599 pieces of mail during FY92, an increase of 10% over the FY91 volume. The day mailroom picks up agency mail from several Post Offices. The mail is sorted by type, then opened and the documents processed according to the specifications of the agency contracting the service. Documents which have been prepared in this manner, are ready to be utilized by the agency staff, and are delivered to the agency, by Mail Services couriers, at a specified time.

Incoming tax mail, of all types, picked from the General Mail Facility, is sorted exclusively for the Department of Revenue by the night mailroom. The contents are date stamped, sorted to each tax section's requirements, and passed to the DOR sections by 6:00 am each day. In excess of 3.5 billion dollars is processed by this operation each year. A significant financial advantage is derived from this overnight sorting process, in that remittances are processed and deposited on the same day received, maximizing the interest earned by the State.

The Postal rate increase, implemented in 1991, emphasized the need to maximize the mailing budgets of State agencies. The most direct approach to reducing mailing costs is to access the lowest possible USPS rates. For the past six years, Mail Services has presorted the majority of the First Class Mail generated by state offices. The savings for basic presorting, currently .042 per piece, have been returned to the mailing agencies in the form of lower postage. The annual postage savings have been more than \$150,000 each year.

Mail Services has acquired barcoding software, which was installed, in FY91, at the General Government Computer Center. The software is available for use by agencies generating their mailings through the mainframe. The OCR system evaluated during FY92, would provide the capability for barcoding the daily mail generated by state offices.

The Moore Self-Mailer allows mailers to reduce their materials cost and weight, as well as mail preparation costs, such as folding, labeling, and inserting. Mailings processed on this system can then be run on the barcoding system and presorted for the maximum discount. This type of mailer is also utilized by agencies generating large mailings through GGCC. The text and the address and barcode are printed by laser printer, after being processed and sorted by the barcoding software.

During FY93, Mail Services will work with State agencies to meet the Postal guidelines for automated mail. Barcoding will be a key element for reducing mailing costs. Mail Services will provide the equipment and software to apply barcodes to all types of state mail. Meeting Postal requirements for automated mail, especially the use of legible, printed addresses which can be read by optical character readers, will be an area of greater communication between Mail Services and the State mailers. It is anticipated that FY93 will see a stronger partnership between Mail Services and state mailers, which will emphasize the development of economic responses to mailers needs.

23 State Printing Plant

The State Print Shop
1001 East 62nd Avenue
Denver, CO 80216
Manager: Paul Dickerson
Telephone Number: 287-8057

State Printing is pleased to report a very successful operation for this last fiscal year ending June 30, 1992. We provided more printing in less time than any year in our 17 year history. We processed 6,407 jobs made up of 82,624,595 impressions in an average turnaround time of 5.2 working days. Our production increased over last year by 2.5 percent and our turnaround time improved by 18 percent. The total revenue for the year was \$1,435,379, which yields an average cost per impression of \$.017. The average cost per job was \$224. Several factors contributed to this successful year. The most important factor was Total Quality Management. Because of our involvement with and our commitment to TQM, we are now able to produce letterhead orders in three working days. TQM is also responsible for the 18 percent improvement in turnaround time.

Another benchmark that we use to follow production improvements is how much of the work is completed within five working days after the order is received. This year's statistics indicate a range from a low of 32 percent to a high of 86 percent. The average overall improvement for the year was 59 percent. Again, this tremendous improvement is occurring because of the commitment of our employees to providing the best customer service and applying the principles of TQM.

State Printing is staffed by 19.5 FTE and is made up of camera, press, bindery, and administration sections. We are in our second year in our new location at 1001 East 62 Avenue.

Late in the fiscal year we purchased the Apollo 17 web offset press. This press combines the features of a two-color press and a perfecter press. It will print two colors on one side of the sheet, or one color on both sides of the sheet in a single pass through the press. The most important factor is the press prints on rolls of uncoated stock from 5" to 14" wide and cuts sheets at 8 1/2" or 17". The productivity of this press is very impressive. Once the set-up is complete, this press can deliver 15,000 sheets per hour of 11" x 17" paper, or 30,000 sheets per hour of 8 1/2" x 11" paper. This press is yet another improvement at the State Printing Plant to produce high quality printing at the best price and deliver it to our customers when they need it.



24 Office Copier Management Program and Quick Copy Centers

Program headquarters:
225 East 16th Avenue, Suite 1050, Denver
Manager: Paula Edwards
Telephone number: 894-2376
Copier Management Program

Quick Copy Centers

The Quick Copy Centers in metropolitan Denver provide convenient and economical reprographic services to other state agencies, bridging the gap between convenience copiers and the State Print Shop. The Centers offer collating, stapling, pickup and delivery at no additional cost.

This past year the Centers earned \$708,153, producing 29,851,277 copies, an increase of 5.5 percent over last year.

An expansion in Labor and Employment created a need for the space occupied by the Center at 251 East 12 Avenue. That Center was closed, and now operates as a second shift at 110 16th Street. It is presently open from 6 a.m. until 10:30 p.m. The Center is scheduled to move back to 1525 Sherman Street at the end of August.

During the year, we expanded our services by offering 11 x 17 copies, and colored paper; blue, green, yellow, and pink. We also can do tape binding of booklets. Customer services is Quick Copy's number one priority.

Copier Management Program

The Copier Program provides quality copiers and supplies to the downtown state agencies, and oversees the management of the state-wide copier rental contract. Currently, there are 189 copiers in 50 different locations downtown and over 1,200 copiers throughout the state. The present copier contract has been widely accepted by the outlying agencies, as well as many school districts and municipalities.

Revenue generated from the Copier Program was \$1,105,735, with pricing of \$.033 per copy.

The Copier Management Program is also available to assist agencies outside of the centralized program in selecting equipment to meet their copying needs. In this regard, two separate studies were done this year. One for Metropolitan State College at the Auraria campus, and one for Front Range Community College in Fort Collins. Both studies resulted in a consolidation of equipment and an overall savings to those agencies.

Central Services and the Copier Management Program remain committed to the Recycle Colorado. We have increased our usage to three cases of recycled out of every ten cases purchased. As cost continues to drop, we will increase usage.

We are beginning our final year of the current copier contract. During the year, meetings will be held with key operators, other major users, and vendors to develop a Request for Proposals for the next contract. The RFP will be sent out in early December and awarded during the first part of 1993.

25 State Microform Services Center

Principal operating location:
1001 East 62nd Avenue, Denver
Manager: Jon Goldstein
Telephone number: 286-8521

Fiscal Year 1991-1992 for State Microform Services produced mixed results. Pluses were increases in production and a more stabilized work force. Negatives, however, also marked the year's performance. The main area for improvement was in profit and loss. However, the reasons for the loss are now evident and can be remedied.

In terms of production, the Microfilm Unit saw improvement. Images filmed increased by over 100,000 images as compared with the previous year. In all, over 16 million images were filmed. Other categories of improvement were found in film reproduction. Our diazo roll production increased by over one thousand rolls this year as compared with Fiscal 1991. Silver film production also increased by 1,000 rolls this year from the previous year.

In terms of revenue, FY 1992 experienced an increase of almost \$40,000 as compared with FY 1991. Total revenue was \$472,710. Unfortunately, to earn this extra revenue cost the Microfilm Center many thousands of dollars in personal services expenditures. As a result, in spite of more revenue earned, the Center lost money for the second year in a row.

The reason for the loss can be traced to the handling of the year's major project. Unfortunately, the size of the Historical Society's Fragile Newspaper Filming Product was misjudged. As a result, eight extra employees were hired to get the job done. Also required was the hiring of a subcontractor by the Society to assist Microfilm in meeting the timeframe required by the project. This caused the price structure to be significantly altered. Both factors, change in price and additional employees, generated a \$40,000 loss on this project.

The outlook for the coming year is much more favorable. Prices have been adjusted slightly, which will accommodate the increases that have been absorbed in personal services, maintenance, overhead, and materials. Schedules will be utilized better to avoid having a similar experience like the Historical Society project.

State Microform Services has also requested funding for two optical scanning workstations. This will enable the Center to scan documents on to optical disk, rather than filming. Whatever the customer wants in terms of media, the Microfilm Center will be able to accomplish. This will allow the Center to be one-stop shopping for all information storage and retrieval needs.

With the adjustments that have been implemented, State Microform Services will be able to meet the challenges of this year and in the years to come.

26 Design Center

Principal operating location:
110 East 16th Street, Suite 1150, Denver
Manager: J.J. Jackson
Telephone number: 620-4860

The Design Center offers comprehensive commercial art services including graphic design, computer graphics, electronic publishing, and typesetting (laser output) to State agencies, federal agencies, and local governments.

During Fiscal Year 1990-1991, we expanded the electronic publishing arena to encompass the entire Design Center. Each designer has his or her own computer work station. We are now more efficient due to today's technology, training, and the experience gained over the past two years. We are using more agencies' programs from their IBM, IBM compatible, or Macintosh computers to convert their text to typeset quality through our Linotronic Imagesetter.

Our performance rating increased from 88 percent in FY 1989-90 to 91 percent in 1990-91, and to 94 percent in FY 1991-92. With this increased efficiency, we now offer faster turnaround times.

We still offer our laser output (typesetting) service. We can output from most software packages using PostScript.

The Design Center, along with the Printing Plant and Mail Services, formed a TQM team to work on customer complaints and internal problems. As a direct result of this team, a new form was implemented, new procedures are being followed, fewer mistakes are being made, and the turnaround time has been reduced. This TQM team is continually working on customer satisfaction.

27 North Campus

"North Campus" is an accounting classification that reflects rental income and offsetting expenses from State-owned property located at 1001 East 62 Avenue, Denver. Central Services acts as the host organization to several tenant organizations. As of the end of the fiscal year, the Department of Revenue and the Department of Labor and Employment maintained units at North Campus: State Printing, Fleet Management Program, and State Microfilm Services Center are among the operations housed at the North Campus. The Division of Central Services assumed responsibility for facility as of December 1, 1985. Responsibility for day-to-day management of North Campus during this reporting period rested with the Printing Plant Manager, Bob O'Lear. Two FTE maintenance employees are assigned to this location.

28 Central Collection Service

Principal operating location:
225 East 16th Avenue, Room 555, Denver
Manager: Jon Goldstein

Central Collections, a section in the Division of Central Services, set a record for collections for the fourth year in a row. Below are the highlights of the year for the unit.

- \$7,128,062.54 in total gross collections. This exceeded the previous year's total of \$6,165,467.17 by almost \$1 million.
- \$5,591,277.60 in collections performed by Central Collections' collectors. This is an increase of over \$500,000 as compared to last year.
- \$923,614.53 in collections performed by our private collection agency contractors. This is a 66 percent increase over last year's performance of \$311,960.68.
- \$613,170.42 in collections by the legal firm representing Central Collections.

The above performance improvements can be attributed to several factors. One, the implementation of Senate Bill 140. SB 140 mandated the referral of debts by State agencies to Central Collections at 30 days past due. This was a significant change over the former policy of 90 days past due. Many times this 90 day policy was not being adhered to. As a result, collection efforts were hindered before having a chance to be successful.

The new law, with 30 day referral, allowed Central Collections to have a "fresh" trail as to the debtor's whereabouts. It also improved agencies ability to provide debt verification. This is a main contributor to Central Collections' collectors improving their performance by 13 percent over last year.

A second component of the new bill (SB 140) was the requirement that Central Collections refers uncollected debts to the private sector in 90 days after receiving debts from State agencies. This has contributed, in large measure, to the dramatic improvement by the private collection agencies working for Central Collections.

In October 1991, Central Collections put out an RFP for collection services. As a result, five contractors were chosen to collect on debts not collected by Central Collections. The first set of debts were referred in February 1992.

The State is divided into four regions: Denver, Southern, Northern, and West Slope. The idea behind this regionalization was to create a "home town" atmosphere in collecting the debts. The State now has contractors in Colorado Springs, Grand Junction, and Fort Collins as well as three agencies collecting debts in Denver. As the above results suggest, the system is working!

Another contributor to Central Collections overall improvement is the purchase and implementation of our CUBS collection hardware and software package. The system was purchased in July 1991. The new system has vastly improved collector followup. The system also calculates interest and allows for customized reporting for our client agencies.

The system allows for each collector to work a WIP, or Work in Progress list. This is a list of debts, prioritized by dollar amount, assignment date, and other management defined parameters. The WIP also insures proper follow-up on debts that need reminding or special handling.

Central Collections is now aiming for another record year in Fiscal 1993. Based on the success of our staff, coupled with the performance of the private sector, our total collections goal for FY 1993 is between \$8.2 to \$8.5 million. With a concerted effort on everyone's part, this goal can be realized for this coming fiscal year.

29 State Travel Management

Principal operating location:
225 East 16th Avenue, Suite 1050, Denver
Manager: Norman B. Wilson
Telephone Number: 894-2370

The State Travel Management Program made strides in several main areas in Fiscal Year 1991-92—seeking contract rates for hotels, car rentals, airfares, receiving an appropriation for a State Travel Coordinator, accumulating rebates from travel agencies, and compiling a comprehensive travel management data base. Total travel spending for the State amounted to \$34 million dollars, \$11.2 million in airfares. The actual spending in airfare shows a decline from the previous year, perhaps as a result of the program fostering better reporting of spending back to State agencies.

The Division issued Requests for Proposals for contract airfares without success. Only four vendors responded and none of the proposals served the State's air travel needs adequately. As a result, the State canceled the RFP. At the direction of the Division of Purchasing, the State embarked on a pilot project of competitive negotiations. Dealing directly with airlines positioned to serve the State adequately, the Division found such negotiations would prove successful. The method of competitive negotiations, however, lacked authorization in the Procurement Code. The Department of Administration, wary of putting out a large contract based on a pilot approach, decided to cancel the negotiations, suggesting that Purchasing draft rules to support the method. The Division will issue another Request for Proposal for contract airfares early in the next fiscal year.

Requests for Proposals for rental cars and out of state hotels have proved successful. Seven car rental agencies responded to the State's RFP and 199 hotels responded to the Invitation for Bid for lodging. The rates achieved in these offers suggest that the State's approach of directing market share can achieve rates even more favorable than those of the federal government for similar services.

The role of the State Travel Coordinator allows for a travel expert to provide training and customer services to travel agencies serving the State, State agencies, and travel providers. The function does not involve the overall management or planning of the program, but does supply necessary day-to-day support. Filled under contract by Diners Club, the coordinator met with every State agency at least twice in the course of the fiscal year providing training on State procedures and reporting requirements. The function received an appropriation to continue by way of a consulting contract in FY 1992-93.

The Division receives a service fee or rebate from travel agencies to manage the program. These fees, paid quarterly by travel agencies, amounted to \$35,000 for the Division and another \$130,000 to State agencies.

Finally, the State now has a comprehensive data gathering system through Diners Club that can compile travel information, particularly airfare spending, in such a way that major travel suppliers, especially airlines, have confidence in the State's data and the State's ability to monitor contracts for compliance. As a part of this data gathering system, the State's travel card, Diners Club, continues to gain popularity with nearly 6,000 cards in circulation.

30 Miscellaneous Services

Miscellaneous Services includes the operations of the I.D. Program, State of Colorado Telephone Directory, and the "Organization of State Government in Colorado" chart. All miscellaneous services operate out of Division headquarters.

APPENDIX

31 Major Equipment Inventory

Major equipment inventory information is published in this annual report pursuant to Colorado Revised Statute 24-30-1109(1)(c). It is intended to show the nature and scope of Central Services' productive capacity. Equipment reflected here is therefore listed without regard to its ownership status.

ADMINISTRATIVE CLERICAL SECTION

POLAROID ID3 MODEL 703 CAMERA
SHEET FEEDER SN115705250SF
MSP 15E 132-COLUMN PRINTER
MSP 15E 132-COLUMN PRINTER
CANON 100 FILTER RECORDER CAMERA
AMDEK EXTERNAL LASERDRIVE
IBM PROPRINTER XL
ASYNCR SERIAL INTERFACE
8K PRINTER BUFFER
IBM PS/2 MODEL 55SX-031
IBM PS/2 MODEL 50-031
IBM PS/2 5.25" EXT. DISK DRIVE
IBM PS/2 14" COLOR MONITOR

STATE PRINTING PLANT

DS CP 404 11 PLATE MAKER
714 BAUMFOLDER SN83F029
DCS 260D CAMERA W/FLASH LAMP COPY B
BROWN PLATE MAKER
DENSITOMETER
SINK DEV TEMP CON BRN 30377/378
TABLE PRECISION LINE UP NU-ARC
NU-ARC MODEL RR41F
LIGHT INTRIGRATOR
BOURG COLLATOR
#521000456 ST581001099
COLLATOR 1412 004327
P-23 PERFOR, SLITTER, SCORER, SN9800510
VELOBID PUNCH/BIND #323 SN325167
CHALLENGER PAPER CUTTER 26"
ELEC PUNCH 111PM SN1118845
BOS STITCHER
MODEL 323 VELO BIND PUNCH
BOURG STITCHER, FOLDER, COLLATOR
STANDARD BOURG TRIMMER
16" GBC ELECTRIC PUNCH
NYDRENDahl PERFORATOR SNJ-74-15-104
COLLATOR 1546002763 ST. FOLD ROTO 50
VELO BINDER MODEL 210
MULTI-FOLDER 3315
CHALLENGE CUTTER
2850 PRESS SORT FEED SN384737
PACK FEEDER 2850 OFFSET PRESS
13650 COLO HEAD FOR 360CD SN862694ACA
POWDER SPRAY SYS SN12850435
67 SORT/TOWER MODULES/INTERFACE
SOLNA OFFSET PRESS MODEL 125 #12207
DAVIDSON 702 PERFECTOR OFFSET PRESS
ROTARY SLITTER SN88676706
CARLSON REGISTER SYSTEM
360CD OFFSET PRESS #11484

AB DICK 360T
360T W/NUM ATTACHMENT SN13512
SYS 6W/ELEC CAM, OFFSET ONLISORT
CARLSON REGISTER SYSTEM
BOURG FOLDER SN551000755
BOURG TRIMMER SN200518
NUMBERING HEADS
1250 MULTILITH OFFSET PRESS SN383261
1250 MULTILITH OFFSET PRESS SN383263
1275 MULTILITH OFFSET PRESS
1250 MULTILITH OFFSET PRESS SN948176
PLATE PROCESSOR
A/T COMPUTER

DESIGN CENTER

CAL COMP COLOR MAST THERMAL PRINTER
QPM PHOTOMAKER SNSD628714
RC PROCESSOR 20 AMP SN11006
NEC SPINWRITER SN7710 PRINTER
TYPESETTER G1610 D/F W/STAND SN65001
GPM VIDEOSHOW 160 SN16002K46
ITEK G 1610 650011 DF PHOTOTYPE SYS
MDR 12110 MULTIDISK READER
KROY LETTERING MACHINE
HYDROLIC LIGHT DRAFT TABLE
THERMOFAX
6 FLAT FILES
THERMOFAX SN285126
3114 RC PROCESSOR W/DRYER

STATE MICROFORM SERVICES

42X LENS, PLATEN, MASK
3M CAMERA M 41906 SN304007
RELIANT 800 16MM ROTARY CAMERA
F 10 PROCESSOR
#9000054 MAGAZINE
22E READER 24X ROTATION
105MM SILVER FICHE DUPLICATOR
COPYBOARD
500 LM READER-PRINTER SNDR17112
DX 35MM PRINTER
EXTEC CAMERA
RECON KODAK MCG FILM UNIT SNN1634
MICRO FILE MACHINE SN15595
3M-3401 MICROFILM CAMERA
FILM READER MOBIL 1600
RECORDAK - R750
PROCESSOR/KODAK PRO STAR 11
CPU CONFG W/KEYBOARD & MONITOR
MICROFILM DUPL SN4CO365
42X LENS PLATEN MASK
DIAZO DUPLICATOR
INSPECTION TABLE
EXTEK 3100 POSI DUPLICATOR
GAF 16/35 ROLLFILM DUPLICATOR MACHINE
MACBETH TD 500
2 JACKET READER FILLERS
MICROFILM CAMERA MRK-1
RCORDAK MRD 2 CAMERA
CANON 100 RECORDER CAMERA

QUICK COPY CENTERS
XEROX 9900 SN920051548
XEROX 9500 SN685-002882
XEROX 9500 SN685-002273
XEROX 9500 SNF4012393
KODAK 100 AF SN104-230
XEROX 9500 SN685021168

STATE MOTOR POOL

TIRE MACHINE
PRESSURIZED WASHER
10,000 GALLON GAS TANK # PUMP
PUNCH ELEC EMBOSS MACHINE SNC01157
GASBOY AUTO FUEL SYSTEM
LNC AIR END LIFT

STATE GARAGE

LATHE AMMCO 4000 & 2400 BENCH
AIR COMPRESSOR
COMPUTER WHEEL
COMPUTER WHEEL BALANCER WB 230
1.6-TON CAP AIR OPER END LFT WALK
HOT WATER HIGH PRESSURE CLEANER
WHEEL ALIGN RACK W/JACKS 34018
ANALYZER ENGINE SUN 32761
EXHAUST ANALYZER HMLTON MDL#CVI
INFRA-RED EXHAUST GAS ANALYZER
AUTOMATIC TIRE CHANGER SN111-50-801
ELECTRIC DRILLS
ASSORTED SHOP MANUALS
15-TON HYDRAULIC LIFT
HYDRAULIC PRESS
HIGH PRESSURE CLEANER
12-DRAWER ROLL CABINET
20 ASST SCKT STS MET/STNDRD
TOOL BOX SNAP-ON
BOTTEM

STATE FLEET MANAGEMENT

AT&T CPU #0109314 KEYBOARD SN1682932
6300 PC MICRO W/384 RAM SN0201206
AT&T CPU SN236261 KEYBOARD MONITOR
BILLING MODULE
PREVENTIVE MAINT MOD
PRINTER SHARING W/BUFFER SNMB0721
BACKUP HARD DRIVE FR SUNOL SYS
BILLING MODULE
PC, KEYBOARD MONITOR
PC, MONITOR KEYBOARD
MODI TO CUSTOMIZE SOFTWARE
CREDIT CARD MACHINE
MATH CO-PROCESSOR
AT&T CPU KEYBOARD COLOR MONITOR
AT&T CPU KEYBOARD COLOR MONITOR
2 BILLING MODULES
BACKUP HARD DRIVE FOR SUNOL SYS
UTILIZATION MODULE
QUADLASER PRINTER MODEL LS 1100
IBM DMA MX 4
AT&T CPU KEYBOARD & MONITOR
PRINTER SHARING W/BUFFER SNMB0721
COMPUTER MONITOR KEYBOARD
BILLING MODULE

AT&T CPU KEYBOARD COLOR MONITOR
6300 PC MICRO W/512K RAM SN0120242
MATH CO-PROCESSOR
CREDIT CARD MACHINE
ELECTRO TEL PH SYS AMOR, 04, 06
COMPUTER MONITOR
6300 PC MICTO 2/384K RAM SN0201274
CREDIT CARD MACHINE
AT&T CPU KEYBOARD COLOR MONITOR
BILLING MODULE
2 EACH IBM DMA BOARDS 34/26 PIN AD
1 SUB-COMPACT
28 COMPACT PASSENGER SEDANS
578 MIDSIZE PASSENGER SEDANS
34 FULLSIZE PASSENGER SEDANS
260 PICKUP TRUCKS 1/2 AND 3/4 TON
122 PASSENGER VANS
81 CARGO VANS
7 HIGH CUBE VANS
1 BUS, 31 TO 50 PASSENGER
1 FLATBED TRUCK, 1 TON
LOCAL AREA NETWORK SYSTEM
IBM DMA BOARD 34/26 PIN AD
IBM DMA BOARD 34/26 PIN AD

MAIL SERVICES SECTION

METERING MACHINE PB 6100
SEALER MAIL MACHINE
PB 1860 FOLDER SN5165
714 FOLDER SN 83J-143
FRIEDEN ELECTR SCALE SN871072006
PITNEY BOWES METER
PITNEY BOWES METER AND STACKER
6100 MAIL MACHINE 043521
ELECTRONIC SCALE MDL5890 SN7020
ELECTRONIC SCALE MDL5890 SN8151
METERING MACHINE 5655 SN4320
METERING MACHINE 5655 SN4322
6100 MAIL MACHINE SN043753
LIBRA ELECTRONIC POSTAGE SCALE 24 LBS
2 PCS/7 MINI-PACS/2PRNTRS/1SCALE
ELECTRONIC SCALE MDL5890 SN2874
ELECTRONIC SCALE MDL5890 SN7015
XEROX 763 LABELER SN28867
PB 1800 FOLDER SN32885
PB INSERTER MAX
PB 1861 FOLDER SN13331
PB ADDRESSOR PRINTER
PRINTER DI 3100 SN020641 W/MANUAL
AUTOMECHA LABELER/ACCUFAST 1
ABE PERFORATOR SN50044
CONVEYER BELT
SORT MODULE
METER HEAD MODULE RTPG-1 S0581
FOLDER MDL 18208 SN045070
FOLDER MDL 18208 SN045037
8300 PITNEY BOWES INSERTER (2)
MOORE MODEL 8158 FOLDER/NESTER

COLLECTIONS

PRINTER SN001367

32 Personnel Inventory

This chart satisfies the requirements of Colorado Revised Statute 24-30-1109(1)(c) to report Central Services' personnel inventory. Totals are reported in terms of full-time equivalent employees (FTEs) as of the last day of Fiscal Year 1990-1991.

NAME

Theodore Abad
Nancy Acedo
Penny Adkins
Mark Apodaca
Thomas Bainton
Nanette Bales
Robert Barefield
Barbara Baskin
Mechthilde Bauer
Mary Bentzinger
Mary Bixenmann
Barbara Brockert
Cheri Bryson
Nancy Burch
Shirley Carr
Brenda Carrillo
David Carrillo
Andrew Castro
Phyllis Chavez
Wendy Chavez
Connie Chiles-Ward
Joseph Christenson
Rick Ciminelli
Patty Cisneros
Edward Cole
Karen Cook
Rechell Davis
Paul Dickerson
Dianna Dixon
Laurie Dobrinich
Linda Dobrinich
Carlos Dorrance
Tonya Douglas
Paula Edwards
Frank Eldredge
Elizabeth Evans-Fernandez
Timothy Fanning
Bonnie Freeman
Carmen Freeman
Robert Giovanni
Jon Goldstein
Irene Gutierrez
Robert Gramadzki
Forrest Grawn
Rhonda Green
Elizabeth Greene
Albert Gunderson
Jeffrey Hampton
Kenneth Hausauer
John Helm
Marcella Higgenbotham
Stuart Holmes
Georgia Huntington
James Jackson
Juan Jackson
Paul Jensen
Shirley Jimenez
Douglas Karkanen
Jack Keene
Eleanor Kellems
Richard Krause

CLASS TITLE

Sr Administrative Clerk
Clerical Supervisor
Admin Officer I-B
Vehicle Driver
Sr Administrative Clerk
Sr Micrographic Technician
Clerical Assistant C
Clerical Supervisor
Accounting Tech I-B
Clerical Assistant C
Clerical Assistant C
Administrative Clerk
Sr Duplicating Equipment Operator
Clerical Supervisor
Sr Administrative Clerk
Staff Assistant I
Vehicle Driver
Clerical Assistant C
Bindery Equipment Operator B
Clerical Assistant C
Micrographic Tech A
Printer II
Graphic Designer A
Supv Micrographic Tech
Micrographic Tech A
Clerical Supervisor II
Data Entry Operator B
Printing Plant Supv I
Printer II
Staff Assistant I
Staff Assistant II
Clerical Assistant C
Duplicating Equip Operator B
Admin Officer II
Graphic Design Tech A
Sr Duplicating Equip Operator
Collections Repr B
Collections Repr B
Administrative Clerk
Automotive & Equip Mechanic
Admin Officer II
Staff Assistant II
Automotive Service Worker
Collections Repr B
Micrographic Tech B
Administrative Clerk
Printer II
Collections Repr B
Information Equip Specialist C
Clerical Assistant C
Micrographic Tech A
Collections Repr B
Clerical Assistant C
Design/Art Director
Vehicle Driver
Program Administrator I
Administrative Clerk
Printer I
Director of Central Services
Printer IV
Vehicle Driver

Michael Lafferty
Wayne Lee
Marcella Lewis
Mario Lozoya
Ruth Lozoya
Susan Lozoya
Henry Maestas
Lois Maxwell
Eugene McClanahan
Leland McKie
Hahn Nguyen
Helen Nopens
Robert O'Lear
Orlando Otero
Dennis Pearl
Erlinda Perez
Debra Petersen
Byron Pistora
Judi Pummell
Rosalie Quintana
Barbara Ray
Michael Rayner
Scott Renville
Jessie Rodriguez
Cheri Romero
Karen Romero
Robert Romero
Joseph Romero
Rhonda Roybal
Larry Ryan
Esther Sanders
Robert Schley
James Schrambeck
Richard Schroeder
Kenneth Schulter
Robert Seiler
Cecil Sharp
Denise Sisneros
Steven Slane
Michael St Peter
Paul Stempien
Theresa Stephens
Don Stewart
Albert Tanguma
Michael Taylor
Gilbert Thomas III
Donald Thordsen
Terrence Tillson
Freddie Trujillo
Victoria Trujillo
James Twark
Anne Valdez
Laura Vigil
Pete Vigil
John Whitehurst
Marc Wilkerson
Stephen Wilkerson
Leta Wilkerson
Norman Wilson
Charleston Wimbs
Gerry Zejda

Admin Officer II
Vehicle Driver
Information Equip Operator C
Automotive Service Worker
Clerical Assistant C
Clerical Assistant C
Printer III
Bindery Equip Operator B
Vehicle Driver
Micrographic Tech A
Printer II
Admin Officer II
Printing Plant Manager
Automotive Shop Supervisor
Collections Repr B
Sr Administrative Clerk
Clerical Assistant C
Collections Repr B
Clerical Supervisor II
Staff Assistant I
Micrographic Tech B
Custodian B
Information Equip Operator C
Sr Administrative Clerk
Micrographic Tech A
Sr Bindery Equip Operator
Printer III
Micrographic Tech B
Storekeeper A
Clerical Supv II
Micrographic Tech B
Automotive Mechanic
Sr Maintenance Mechanic
Collections Repr B
Management Analyst III
Printer II
Vehicle Driver
Sr Administrative Clerk
Graphic Designer B
Principle Graphic Designer
Admin Officer II
Clerical Assistant C
Collections Supervisor
Printer III
Collections Repr B
Clerical Supervisor III
Sr Administrative Clerk
Vehicle Driver
Clerical Supervisor II
Staff Assistant I
Admin Officer II
Administrative Clerk
Micrographic Tech A
Printer II
Prin. Bindery Equip. Operator
Printer IV
Bindery Equip Operator B
Sr Administrative Clerk
Admin Officer II
Vehicle Driver
Clerical Assistant C



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